STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING FORM 3 AMENDED REPORT										
APPLI	CATION FOR P	PERMIT TO DRILL				1. WELL NAME and NUMBER DS 13G-19-10-18				
2. TYPE OF WORK DRILL NEW WELL (REENTER P&A	WELL DEEPEN	WELL (3. FIELD OR WILDCAT UTELAND BUTTE				
4. TYPE OF WELL Oil We	ll Coalbed	I Methane Well: NO				5. UNIT or COMMU	INITIZATION AGRE	EMENT NAME		
6. NAME OF OPERATOR	QEP ENERGY C	COMPANY				7. OPERATOR PHONE 303 308-3068				
8. ADDRESS OF OPERATOR	East 17500 South	ı, Vernal, Ut, 84078				9. OPERATOR E-MAIL debbie.stanberry@questar.com				
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU75088 11. MINERAL OWNERSHIP FEDERAL INDIAN STATE						12. SURFACE OWN FEDERAL IN	IERSHIP IDIAN STATE (FEE (
13. NAME OF SURFACE OWNER (if box 12	= 'fee')			T		14. SURFACE OWN	IER PHONE (if box 1	.2 = 'fee')		
15. ADDRESS OF SURFACE OWNER (if box	12 = 'fee')		A)			16. SURFACE OWN	IER E-MAIL (if box 1	L2 = 'fee')		
17. INDIAN ALLOTTEE OR TRIBE NAME		18. INTEND TO COMM		ION FR	ом	19. SLANT				
(if box 12 = 'INDIAN')			nmingling Applicat	ion) No	o 📵	VERTICAL 📵 DI	RECTIONAL 📄 H	ORIZONTAL 🛑		
20. LOCATION OF WELL	FOO	TAGES	QTR-QTR	SEC	CTION	TOWNSHIP	RANGE	MERIDIAN		
LOCATION AT SURFACE	1050 FSL	1107 FWL	SWSW		19	10.0 S	18.0 E	S		
Top of Uppermost Producing Zone	1050 FSL	1107 FWL	SWSW		19	10.0 S	18.0 E	S		
At Total Depth	1050 FSL	1107 FWL	SWSW		19	10.0 S	18.0 E	S		
21. COUNTY UINTAH	[22. DISTANCE TO NEA	AREST LEASE LIN 1050	ST LEASE LINE (Feet) 23. NUMBER OF ACRES IN DRILLING UNIT 920				UNIT		
		25. DISTANCE TO NEA (Applied For Drilling o								
27. ELEVATION - GROUND LEVEL 5508	-	28. BOND NUMBER	ESB000024			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE A36125 - 49-2153				
3300							7.00120 13 2130			
		ATT	ACHMENTS							
VERIFY THE FOLLOWING	ARE ATTACHE	D IN ACCORDANCE	E WITH THE UT	TAH OI	IL AND G	GAS CONSERVAT	ION GENERAL RU	JLES		
WELL PLAT OR MAP PREPARED BY	LICENSED SURV	EYOR OR ENGINEER	№ сом	PLETE [DRILLING	PLAN				
AFFIDAVIT OF STATUS OF SURFACE	OWNER AGREE	MENT (IF FEE SURFAC	CE) FORM	FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER						
DIRECTIONAL SURVEY PLAN (IF DI	г торс	TOPOGRAPHICAL MAP								
NAME Jan Nelson TITLE Permit Agent			:		PHONE 4	435 781-4331				
SIGNATURE DATE 07/26/2010					EMAIL ja	an.nelson@questar.co	om			
API NUMBER ASSIGNED 43047511780000		APPROVAL			B	11/13/20.				
					P	ermit Manager				

API Well No: 43047511780000 Received: 7/26/2010

	Proposed Hole, Casing, and Cement							
String	Hole Size	e Casing Size Top (MD) Bottom (MI						
Surf	12.25	9.625	0	450				
Pipe	Grade	Length	Weight					
	Grade J-55 ST&C	450	36.0					

CONFIDENTIAL

API Well No: 43047511780000 Received: 7/26/2010

Proposed Hole, Casing, and Cement							
String	ing Hole Size Casing Size Top (MD) Bottom (M						
Prod	7.875	5.5	0	4900			
Pipe	Grade	Length	Weight				
	Grade J-55 LT&C	4900	15.5				

CONFIDENTIAL



11002 East 17500 South Vernal, UT 84078 Tel: 435.781.4300 Fax: 435.781.4329

July 23, 2010

Division of Oil, Gas & Mining 1594 W. N. Temple Ste. #1210 Salt Lake City, UT 84114-5801

To Whom It May Concern:

In reference to the State Oil and Gas Conservation rule R649-3-3 QEP Energy Company's application to drill the DS 13G-19-10-18 is an exception to this rule due to topography.

DENTIAL

There is one other interested owner: Triple III Exploration Company has consented approval for this location involving the well site.

If you have any question please contact Jan Nelson @ (435) 781-4331 or Chad Matney @ (303)-308-3048.

Thank you,

Jan Nelson

Regulatory Affairs



June 17, 2010

Independence Plaza 1050 17th Street, Suite 500 Denver, CO 80265

Tel: 303.672.6900 Fax: 303.294.9632

III Exploration Company Attn: Mr. Paul Powell 960 Broadway, Ste. 500 Boise, Idaho 83707

RE: Request for agreement to exception locations

Uintah and Duchesne Counties, Utah

Mr. Powell:

Enclosed please find well plats for the following proposed wells:

- WR 16G-32-10-17 well, T10S-R17E-Sec. 32: SE/4, Duchesne County, UT
- WR 9G-5-10-17 well, T10S-R17E-Sec. 5: SE/4, Duchesne County, UT
- DS 9G-16-10-18 well, T10S-R18E-Sec. 16: SE/4, Uintah County, UT
- DS 13G-19-10-18 well, T10S-R18E-Sec. 19: SW/4, Uintah County, UT
- WR 4G-35-10-17 well, T10S-R17E-Sec. 35: NW/4, Duchesne County, UT
- DS 16G-20-10-18 well, T10S-R18E-Sec. 20: SE/4, Uintah County, UT

Because QEP Energy Company ("QEP") intends to drill these wells with surface locations outside of the allowable 400 foot "window", QEP hereby requests III Exploration Company and/or III Exploration II LP's ("III") consent to exception location pursuant to the Utah Administrative Code's, Rules 649-3-2 and 649-3-3.

Should III consent to these exception locations, please indicate III's consent and agreement by signing in the space below.

Should you have any questions, please contact me at 303-308-3048.

Sincerely,

QEP ENERGY COMPANY

Senior Landman

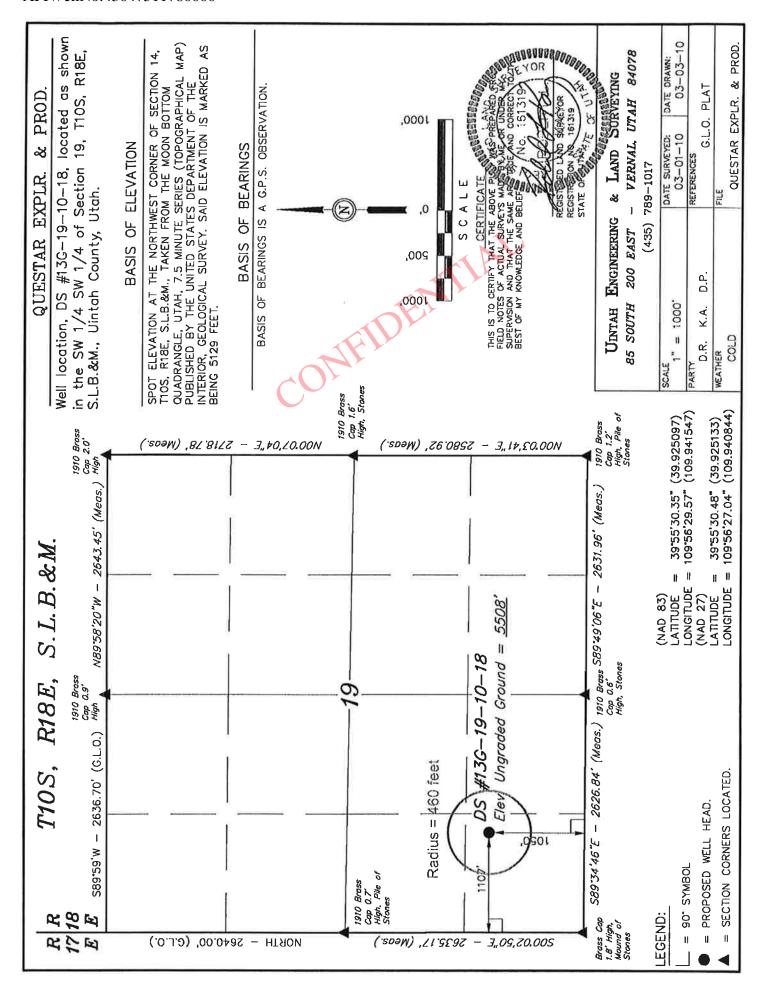
Cc: Phil Shepardson, Denver Office

III hereby agrees and consents to the exception locations for each of the above listed wells.

Name:

Title:

Executive Vice President, COO



Lessee's or Operator's Representative & Certification:

Jan Nelson Permit Agent QEP Energy Company 11002 East 17500 South Vernal, UT 84078 (435) 781-4331

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

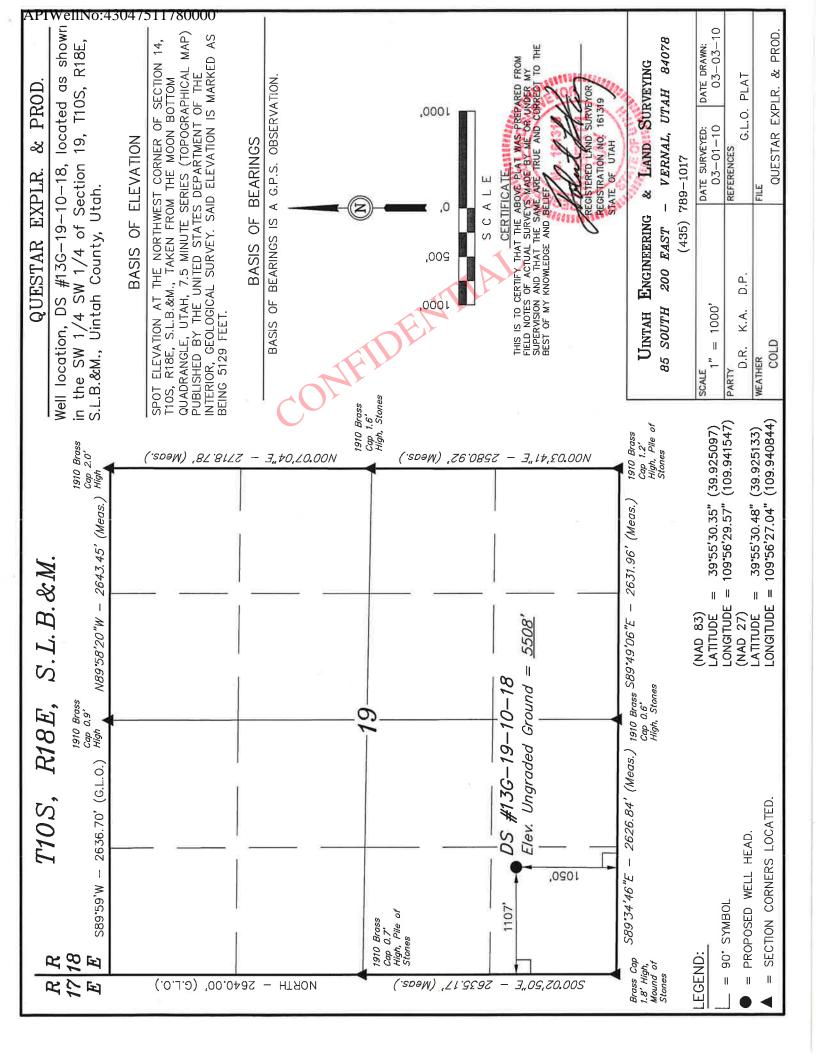
The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

QEP Energy Company is considered to be the operator of the subject well. QEP Energy Company agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104.2 for lease activities is being provided by Bond No. ESB000024

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operations; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Jan Melon	7/23/2010
1 1 11	
// Jan Nelson	Date



DS 13G-19-10-18 New Vertical Well Summarized Procedure

- 1. MIRU air rig.
- 2. Drill 12 1/4" surface hole to 450'±.
- 3. Run 9 5/8", 36#, J-55, STC casing and cement to surface.
- 4. RD air rig, move off location.
- 5. MIRU drilling rig.
- 6. NU rig's 3,000 WP rated BOP. Test BOP's and surface casing.
- 7. PU straight hole BHA, drill out surface casing and 10' of new formation, run FIT.
- 8. Drill 7 7/8" hole to 4,900'.
- 9. TOOH, MIRU Loggers.
- 10. Log from surface casing to TD.
- 11. RDMO Loggers.
- 12. TIH, Circulate.
- 13. TOOH & LDDP.
- 14. PU and run 5 1/2", 15.5#, J-55, LTC casing to 4,900', cement casing.
- 15. ND BOP's.
- 16. RDMOL.

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1 Approval of Operations on Onshore Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

Formation	<u>Depth</u>
Uinta	Surface
Green River	1,300'
X-Marker	3,017
Uteland Butte	4,563
A Sand	4,609
C Lime	4,733
TD	4,900'

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil	A Sand	4,609'
Oil	C Lime	4,733'

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right # A36125 (which was filed on May 7, 1964,) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at Red Wash Central

DRILLING PROGRAM

Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

3. Operator's Specification for Pressure Control Equipment:

- A. A 3,000 psi double gate, 3,000 psi annular BOP (schematic included) from surface casing point to total depth.
- B. Functional test daily.
- C. All casing strings shall be pressure tested (0.2 psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to the approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 3M system and individual components shall be operable as designed.

4. Casing Design:

Hole Size	Csg. Size	Top (MD)	Bottom (MD)	Wt.	Grade	Thread	Cond.	MW
17-1/2''''	14"	sfc	40'	Steel	Cond.	None	Used	Air
12-1/4"	9-5/8"	sfc	450'	36.0	J-55	STC	New	Air
7-7/8"	5-1/2"	sfc	4,900'	15.5	J-55	LTC	New	8-9 ppg

Casing S	Casing Strengths: Collapse			Collapse	Burst	Tensile (min)
9-5/8"	36.0 lb.	J-55	STC	2,020 psi	3,520 psi	394,000 lb.
5-1/2"	15.5 lb.	J-55	LTC	4,040 psi	4,810 psi	217,000 lb.

MINIMUM DESIGN FACTORS:

COLLAPSE: 1.125 BURST: 1.10 TENSION: 1.80

DRILLING PROGRAM

Area Fracture Gradient: 0.7 psi/foot Maximum anticipated mud weight: 9.5 ppg Maximum surface treating pressure: 3,000 psi Over pull margin (minimum): 100,000 lbs

5. <u>Cementing Program</u>

14" Conductor:

Cement to surface with construction cement.

9-5/8" Surface Casing: sfc – 450' (MD)

Lead/Tail Slurry: 0' – 450'. 160 sks (290 cu ft) Rockies LT cement + 0.25 lb/sk Kwik Seal + 0.125 lb/sk Poly-E-Flake. Slurry wt: 13.5 ppg, Slurry yield: 1.81 ft³/sk, Slurry volume: 12-1/4" hole + 100% excess.

5-1/2" Production Casing: sfc – 4,900' (MD)

Lead Slurry: 0' – 2,900'. 130 sks (490 cu ft) Halliburton Hi-Fill cement + 0.125 lb/sk Poly-E-Flake. Slurry wt: 11.0 ppg, Slurry yield: 3.84 ft³/sk, Slurry volume: 7-7/8" hole + 25% excess in open hole section.

Tail Slurry: 2,900' – 4,900'. 250 sks (310 cu ft) 50/50 Poz Premium + 0.6% Halad (R)-322 fluid loss + 2.0% Microbond M expander + 0.125 lb/sk Poly-E-Flake. Slurry wt: 14.35 ppg, Slurry yield: 1.24 ft³/sk, Slurry volume: 7-7/8" hole + 25% excess.

*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface on the production string. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

6. Auxiliary Equipment

- A. Kelly Cock yes
- B. Float at the bit no
- C. Monitoring equipment on the mud system visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor yes
- E. Rotating Head yes
- F. Request for Variance

Drilling surface hole with air:

DRILLING PROGRAM

A variance from 43 CFR 3160 Onshore Oil and Gas Order #2, Section III Requirements, subsection E. Special Drilling Operations is requested for the specific operation of drilling and setting surface casing on the subject well with a truck mounted air rig. The variance from the following requirements of Order #2 is requested because surface casing depth for this well is 450 feet and high pressures are not expected.

- 1. **Properly lubricated and maintained rotating head** A diverter system in place of a rotating head. The diverter system forces the air and cutting returns to the reserve pit and is used to drill the surface casing.
- 2. Blooie line discharge 100 feet from wellbore and securely anchored the blooie line discharge for this operation will be located 50 to 70 feet from the wellhead. This reduced length is necessary due to the smaller location size to minimize surface disturbance.
- 3. Automatic igniter or continuous pilot light on blooie line a diffuser will be used rather than an automatic pilot/igniter. Water is injected into the compressed air and eliminates the need for a pilot light and the need for dust suppression equipment.
- 4. Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the wellbore compressors located within 50 feet on the opposite side of the wellbore from the blooie line and is equipped with a 1) emergency kill switch on the driller's console, 2) pressure relief valves on the compressors, 3) spark arrestors on the motors.
- 5. **Kill Fluid to control well** In lieu of having mud products on location to kill the well for an unanticipated kick, Questar will kill the well with water contained in a 400 bbl tank on site. The 400 bbl water tank will also be storage for surface casing cement water.
- 6. **Deflector on the end of the blooie line** Questar will mount a deflector unit at the end of the blooie line for the purpose of changing the direction and velocity of the air and cuttings flow into the reserve pit. Changing the velocity and direction of the cuttings and air will preserve the pit liner. In the event the deflector washes out due to erosion caused by the sand blasting effect of the cuttings, there will be no problem because the deflector is mounted on the very end of the blooie. A washed out deflector will be easily replaced.
- 7. **Flare Pit** there will be no need of a flare pit during the surface hole air drilling operation because the blooie line is routed directly to the reserve pit. When the big rig arrives for the main drilling after setting surface casing, a flare box will be installed and all flare lines will be routed to the flare box.
- G. All other operations and equipment for air/gas drilling shall meet specifications in Onshore Order #2, Section III Requirements, subsection E. Special Drilling Operations and Onshore Order #1.

DRILLING PROGRAM

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Production holes will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. Maximum anticipated mud weight is 9.5 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

7. Testing, logging and coring program

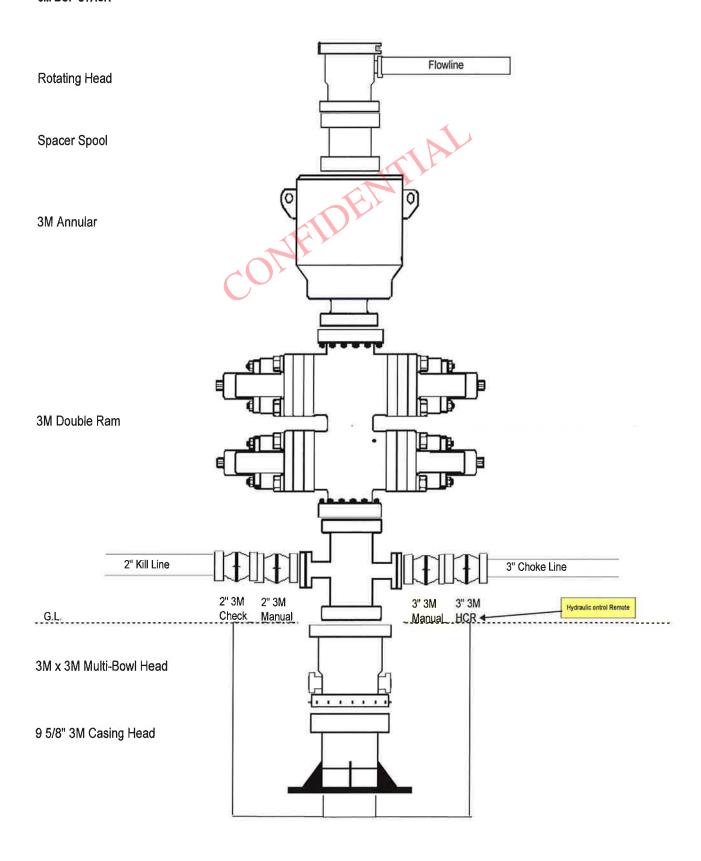
- A. Cores none anticipated
- B. DST none anticipated
- C. Logging Mud logging 450' to TD GR-SP-Induction, Neutron Density
- D. Formation and Completion Interval: Green River intervals, final determination of completion will be made by analysis of logs.
 Stimulation Stimulation will be designed for the particular area of interest as encountered.

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

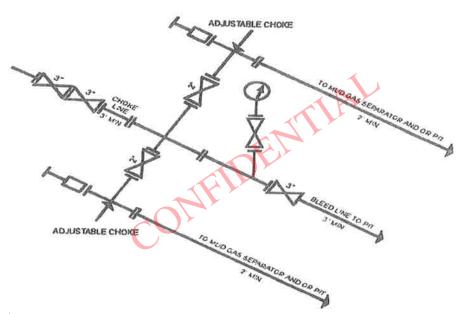
No abnormal temperatures or pressures are anticipated. No H2S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 3,000 psi. Maximum anticipated bottom hole temperature is 135° F.

DRILLING PROGRAM

3M BOP STACK



DRILLING PROGRAM



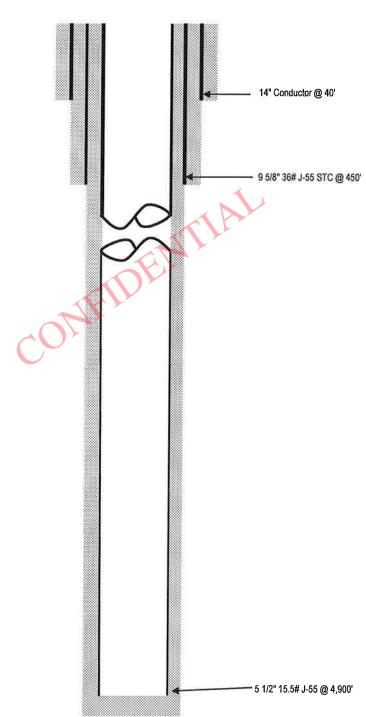
3M CHOKE MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKES MAY VARY [54 FR 39528, Sept. 27, 1989]

Modified 3-26-2010 CJL

DS 13G-19-10-18 API # 43-047 Proposed WBD Uinta Basin

SWSW Sec. 19, T10S-R18E, Uintah Co, UT LOCATION: 1,050' FSL, 1,107' FWL

KB 5,522' GL 5,508'



TD 4,900'

QUESTAR EXPLR. & PROD.

DS #13G-19-10-18

LOCATED IN UINTAH COUNTY, UTAH SECTION 19, T10S, R18E, S.L.B.&M.

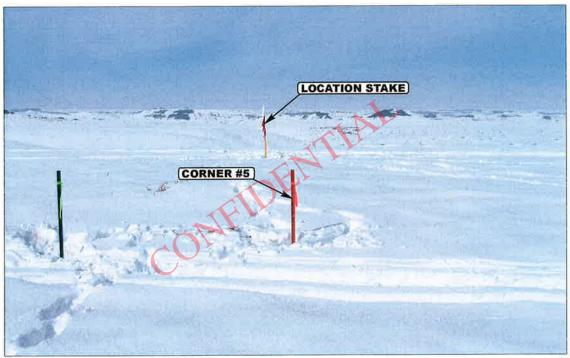


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



LOCATION PHOTOS 03 04 10 YEAR

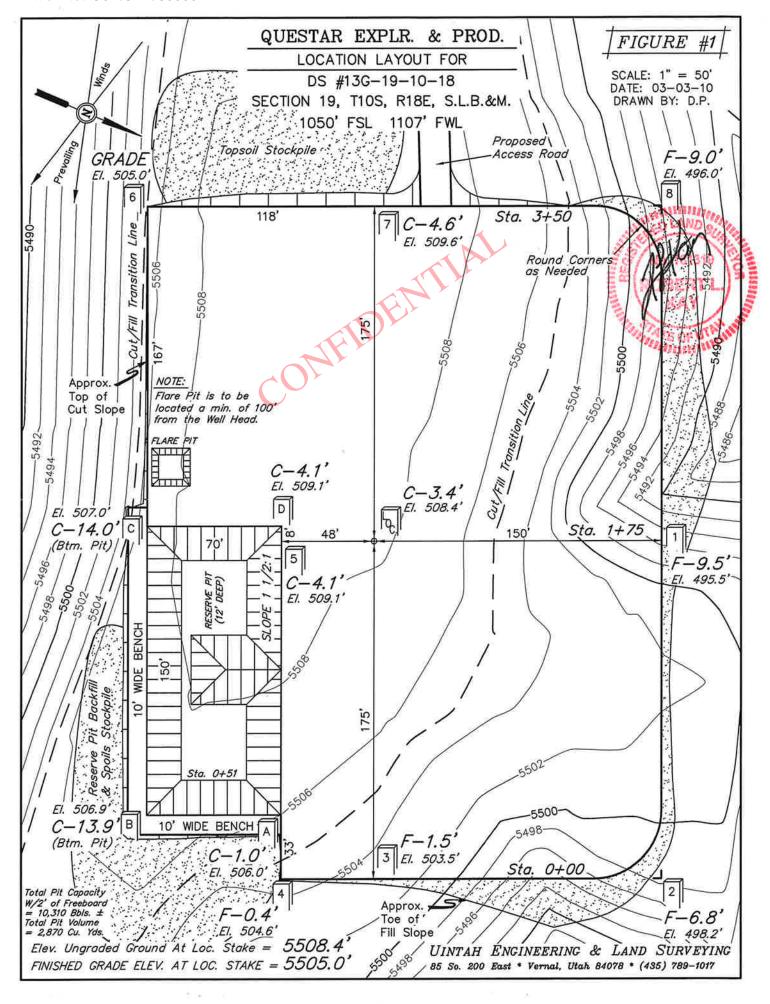
TAKEN BY: D.R. DRAWN BY: J.H. REVISED: 00-00-00

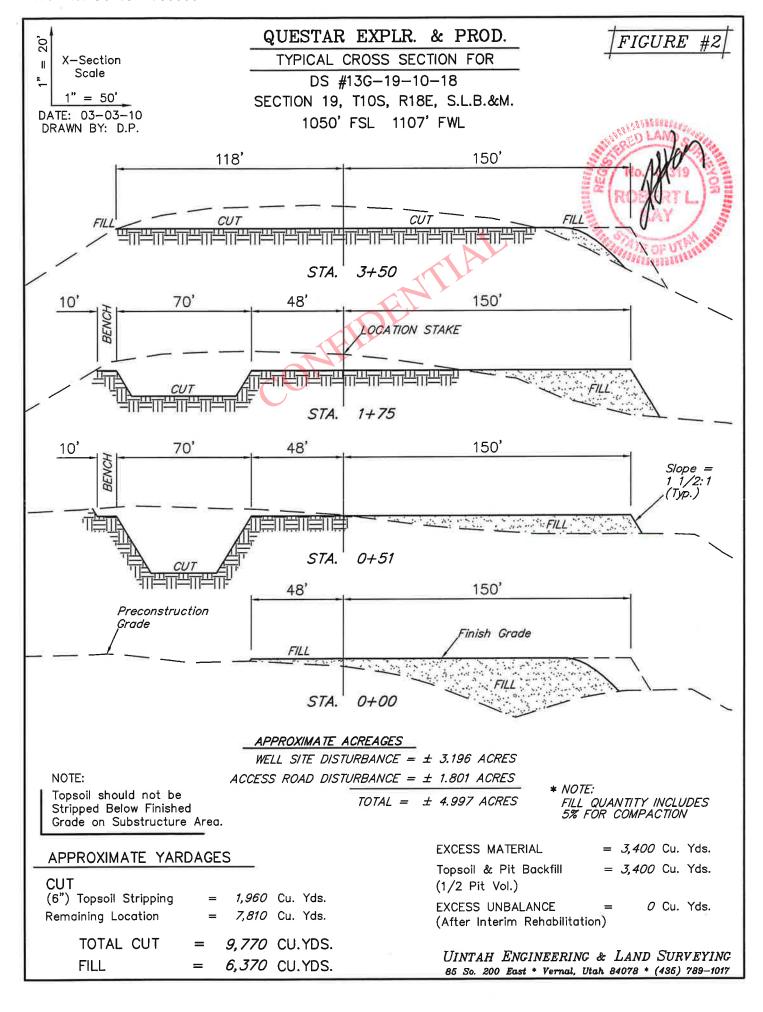
РНОТО

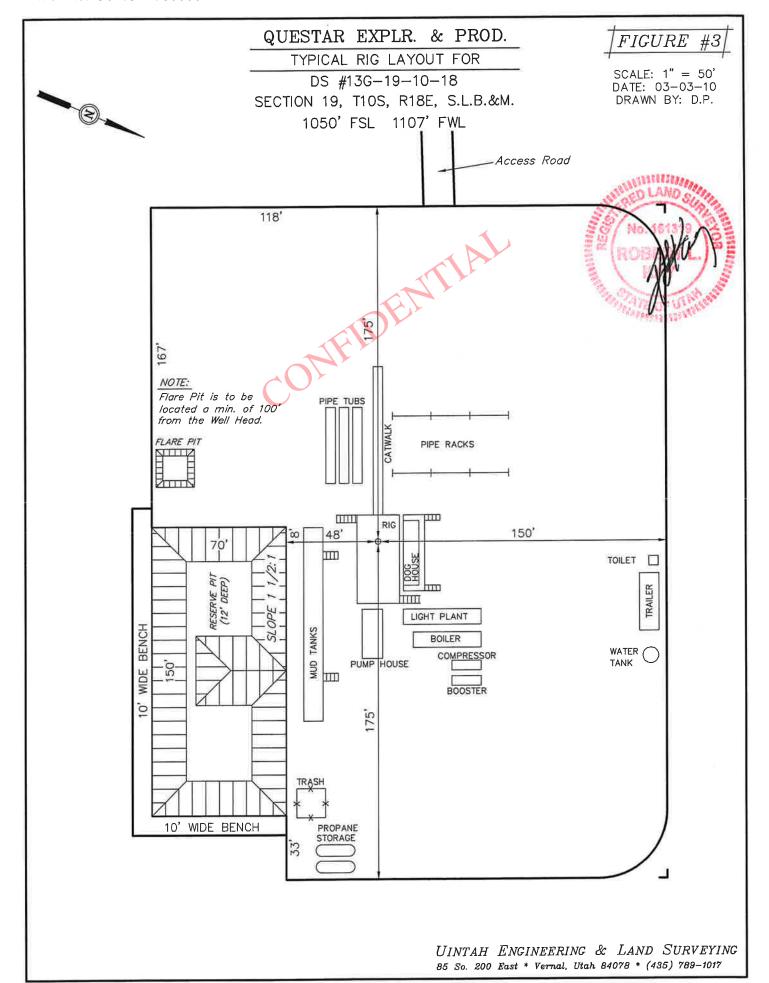
QUESTAR EXPLR. & PROD. DS #13G-19-10-18 SECTION 19, T10S, R18E, S.L.B.&M.

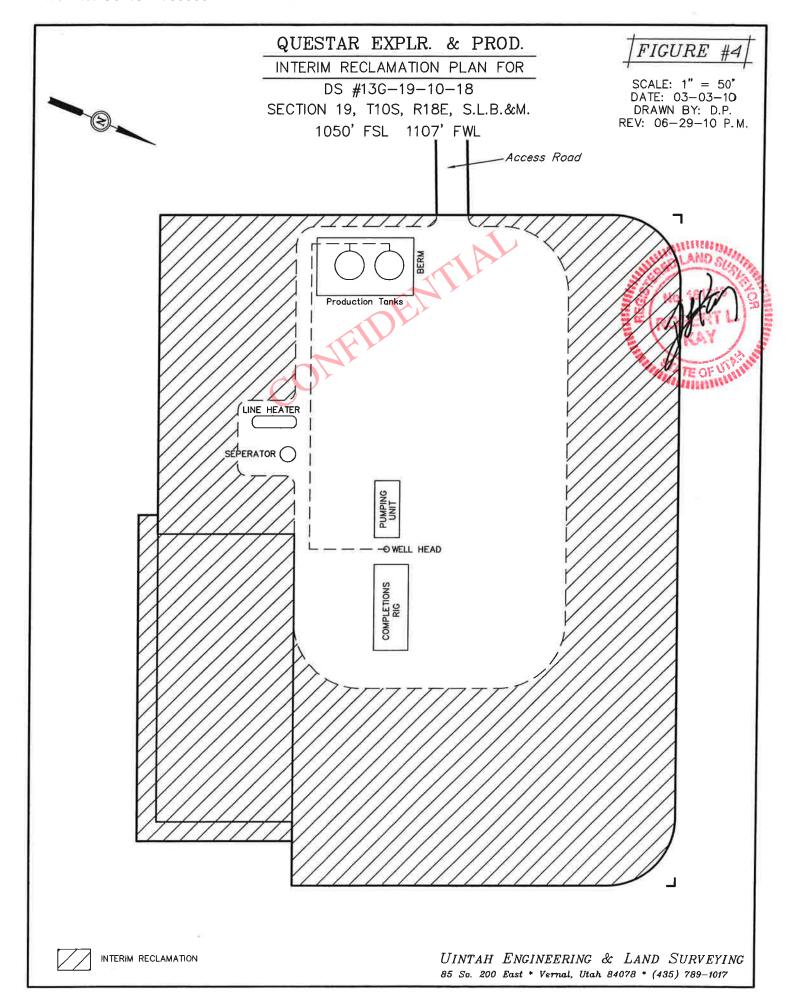
PROCEED IN A WESTERLY DIRECTION FROM MYTON, UTAH ON U.S. HIGHWAY 40 APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 11.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 6.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 4.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST: TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 2.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE SOUTH: FOLLOW ROAD FLAGS IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE PROPOSED LOCATION.

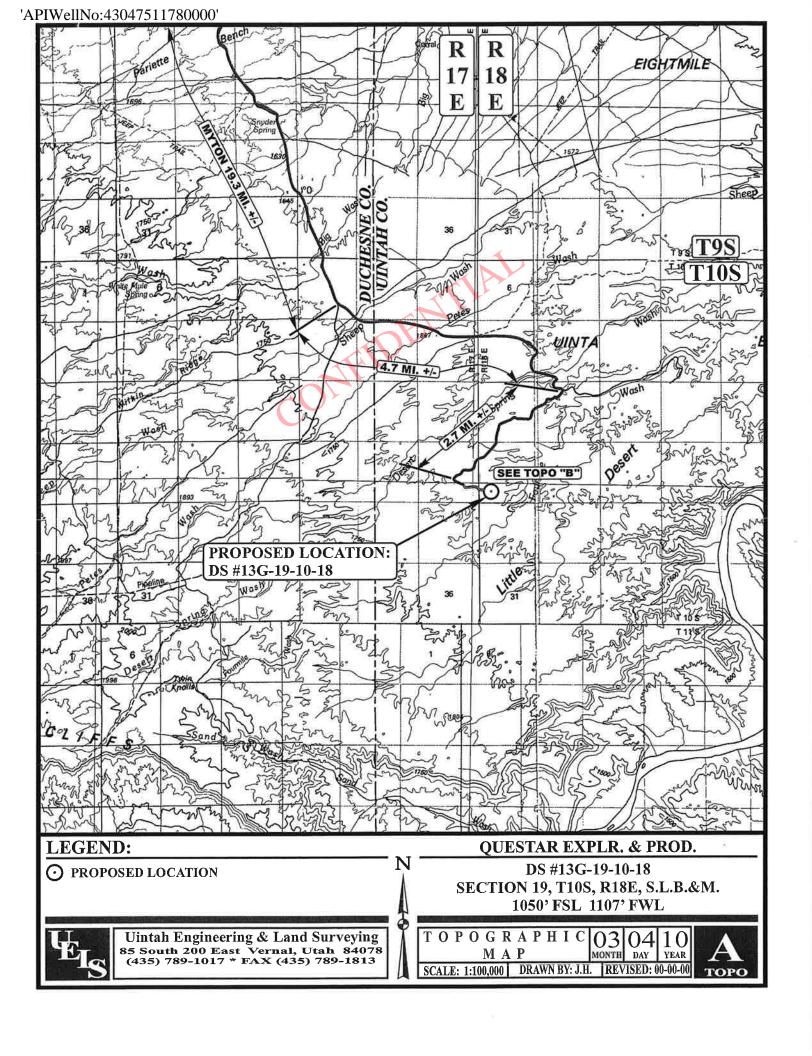
TOTAL DISTANCE FROM MYTON, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 27.4 MILES.

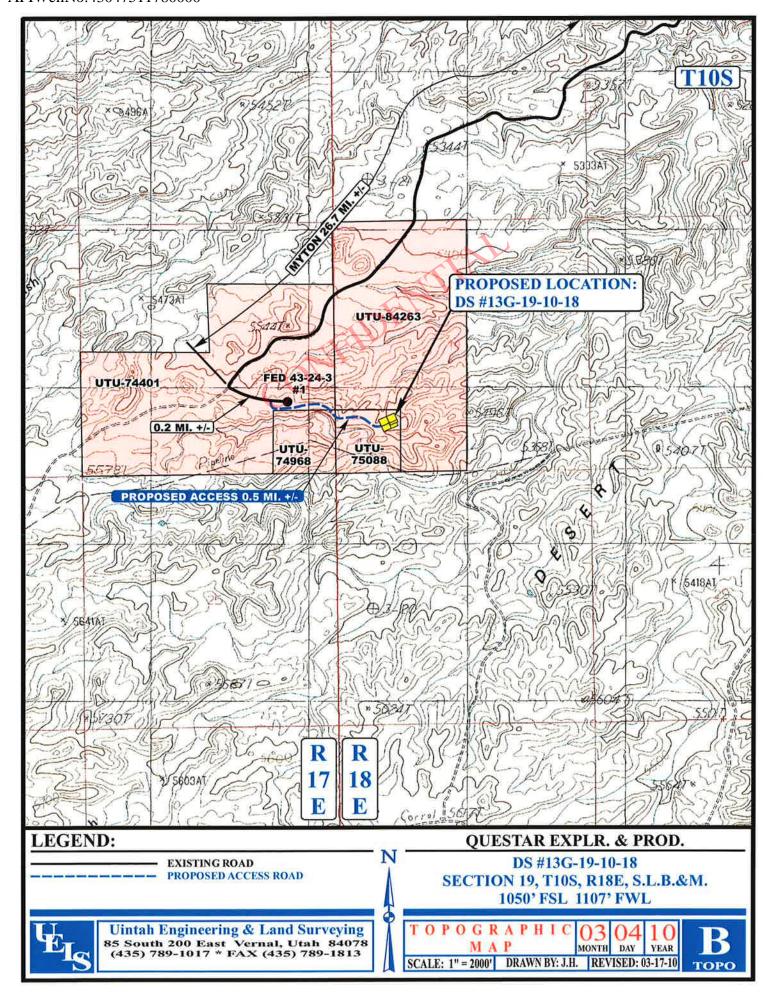


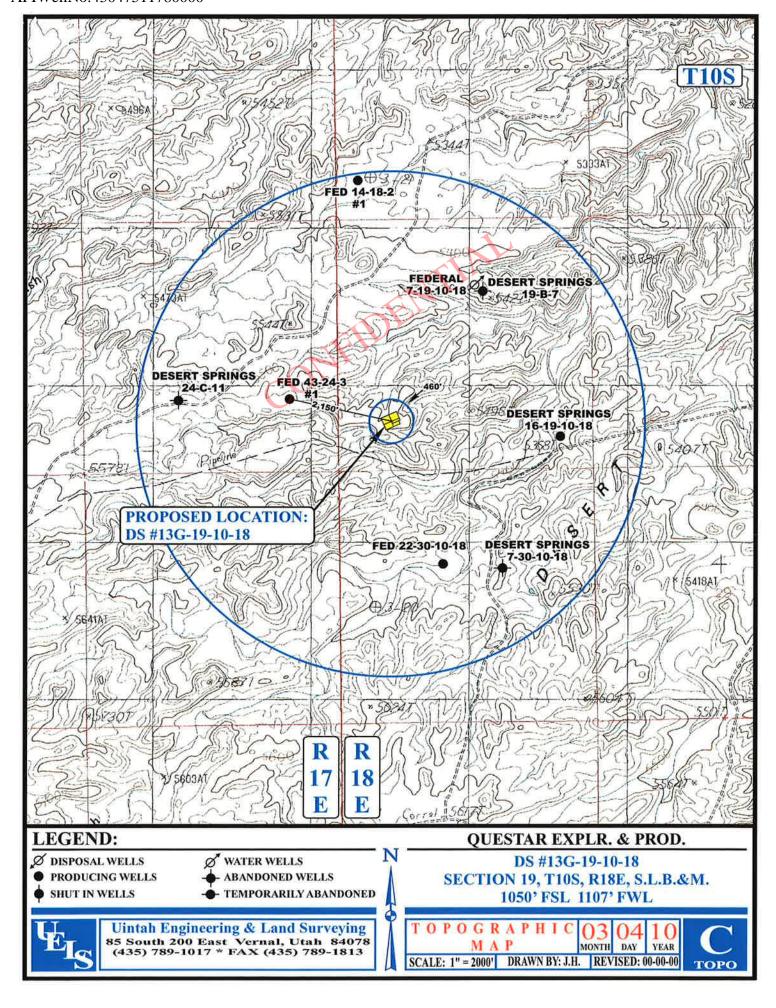








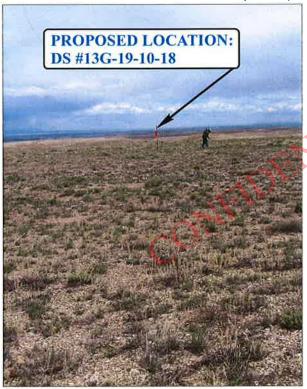




QUESTAR EXPLR. & PROD.

REFERENCE MAP: AREA OF VEGETATION DS #13G-19-10-18

> LOCATED IN UINTAH COUNTY, UTAH **SECTION 19, T10S, R18E, S.L.B.&M.**

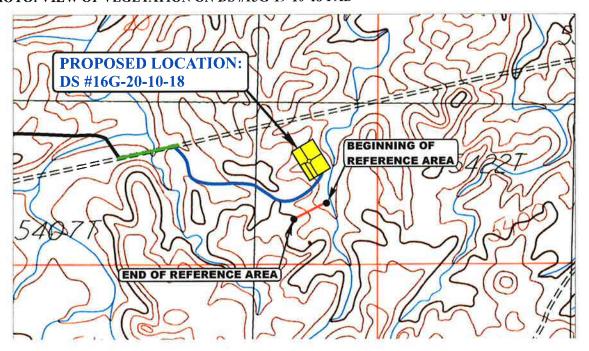


NOTE:

BEGINNING OF REFERENCE AREA NAD 83 Z12 UTM NORTHING: 14500920.716 NAD 83 Z12 UTM EASTING: 1946055.611 (NAD 83) LATITUDE: 39.923987812 (NAD 83) LONGITUDE: -109.909850491

END OF REFERENCE AREA NAD 83 Z12 UTM NORTHING: 14500644.178 NAD 83 Z12 UTM EASTING: 1945940.348 (NAD 83) LATITUDE: 39.923232379 (NAD 83) LONGITUDE: -109.910273579

VEGETATION ON DS #13G-19-10-18 PAD



Since 1964 -

Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017

SCALE: 1" = 1000'

MONTH DAY YEAR

REF.

TAKEN BY: D.R. | DRAWN BY: J.H. | REVISED: 00-00-00

Additional Operator Remarks

QEP Energy Company proposes to drill a vertical oil well to a total depth of 4,900' MD to test the Uteland Butte Member of the Green River Formation. If productive, casing will be run and the well completed. If, dry the will well be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Oil & Gas Order No. 1

Please be advised that QEP Energy Company agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No.ESB000024. The principal is QEP Energy Company via surety as consent as provided for the 43 CFR 3104.2.

DS 13G-19-10-18 SWSW, SECTION 19, T10S, R18E UINTAH COUNTY, UT LEASE # UTU-75088

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.

The proposed well site is located approximately 28 miles south of Myton, Utah. -See attached TOPO Map "A".

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Existing roads will be maintained and repaired as necessary.

2. Planned Access Roads:

New access roads on BLM surface will be crowned (2 to 3%), ditched, and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Any additional disturbance required due to intersections or sharp curves will be discussed at the on-site and approved by the BLM/VFO AO. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. Surface disturbance and vehicular traffic will be limited to the approved location and access route or, as proposed by the Operator. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Access roads and surface disturbing activities will conform to standards outlined in the BLM and Forest Service publication: <u>Surface Operating Standards for Oil and gas Exploration and Development, Fourth Edition 2006.</u>

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches and culverts will be kept clear and free-flowing and will be maintained according to original construction standards. The access road disturbed area will be kept free of trash during operations. All traffic will be confined to the approved road running surface. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause excess siltation or accumulation of debris in the drainage nor shall the drainage be blocked by the roadbed. If culverts are needed, the location and size of the culverts will be proposed during the on-site. The operator will clean and maintain approved culverts as needed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, the holes shall be filled in and detours around the holes avoided. When snow is removed from the road during the winter months, the snow should be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

Refer to Topo Map B for the location of the proposed access road.

A Right-of-Way will be required for the part of the road that travels off lease. The part of road that goes off lease is approximate 1750' +/- in length.

3. <u>Location of Existing Wells Within a 1-Mile Radius</u>:

A map will be provided with the site-specific APD showing the location of existing wells within a one mile radius.

Please refer to Topo map C.

4. <u>Location of Existing and Proposed Facilities:</u>

The following guidelines will apply if the well is productive.

- A containment dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks). These dikes will be constructed of compacted impervious subsoil; hold 110% of the capacity of the largest tank; and, be independent of the back cut. If a Spill Prevention, Control, and Countermeasure (SPCC) Plan is required by the Environmental Protection Agency, the containment dike may be expanded to meet SPCC requirements with approval by the BLM/VFO AO. The specific APD will address additional capacity if such is needed due to environmental concerns. The use of topsoil for the construction of dikes will not be allowed.
- All loading lines will be placed inside the berm surrounding the tank batteries.
- All permanent (on site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a color approved by the BLM.
- It was determined on the onsite by the BLM VFO/AO that the facilities will be painted Covert Green.

5. <u>Location and Type of Water Supply:</u>

Fresh water will be obtained from Wonsits Valley water right # A36125 (which was filed on May 7, 1964,) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be used at the next drill site or will be removed and disposed of at an approved waste disposal facility within 6 months after drilling is terminated. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

Unless specified in the site specific APD, the reserve pit will be constructed on the location and will not be located within natural drainages, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

It was determined at the on-site inspection that a pit liner is necessary, the reserve pit will be lined with a synthetic reinforced liner, a minimum of 20 millimeters thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap will be disposed of in the pit.

Reserve pit leaks are considered an undesirable event and will be orally reported to the AO.

After first production, produced wastewater will be confined to the approved pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order # 7, all produced water will be contained in tanks on location and then hauled to Wonsits Valley water injection station located in the SWNW Section 12, T8S, R21E; or, the Red Wash disposal well located in the NESW, Section 28, T7S, R22E; or, the Red Wash Central Battery Disposal located in SWSE, Section 27, T7S, R23E, or third-party surface evaporative pits.

Produced water, oil, and other byproducts will not be applied to roads or well pads for control of dust or weeds. The dumping of produced fluids on roads, well sites, or other areas will not be allowed.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site. The spills will be reported to the AO and other authorities as appropriate.

A chemical porta-toilet will be furnished with the drilling rig. The chemical porta-toilet wastes will be hauled to Ashley Valley Sewer and Water System for disposal.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. Trash will not be burned on location. All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the

drilling rig. All trash and waste material will be hauled to the Uintah County Landfill.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of wells. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of wells within these areas. Specific APD's shall address any modifications from this policy.

8. Ancillary Facilities:

This will be an independent well location. Product will be contained in two 500 bbl tanks and then transported from location to delivery site.

A suitable muffler will be installed on pumping unit to help reduce noise control.

9. Well Site Layout:

A Location Layout Diagram describing drill pad cross-sections, cuts and fills, and locations of mud tanks, reserve pits, flare pit or flare box, pipe racks, trailer parking, spoil dirt stockpile(s), and the surface material stockpile(s) will be included with the site specific APD.

Please see the attached diagram rig orientation, parking areas, and access roads, as well as the location of the following:

- The reserve pit.
- The stockpiled topsoil (first six inches), will not be used for facility berms. All brush removed from the well pad during construction will be stockpiled with the topsoil.
- The flare pit or flare box will be located downwind from the prevailing wind direction.
- Any drainage that crosses the well location will be diverted around the location by using ditches, water diversion drains or berms. If deemed necessary at the on-site, erosion drains may be installed to contain sediments that could be produced from access roads and well locations.

10. Fencing Requirements:

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

All pits will be fenced according to the following minimum standards:

- 39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.
- Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.
- All wire shall be stretched using a stretching device before it is attached to corner posts.
- The reserve pit will be fenced on three (3) sides during drilling operations. The fourth side will be put in place when the rig moves off location. The pit will be fenced and maintained until it is backfilled. If drilling operations does not commence within 3 days, the fourth side of the fence will be installed.

11. Reclamation Plan:

- Reclamation will follow Questar Exploration and Production Company, Uinta Basin Division's Reclamation Plan, September 2009 (Questar's Reclamation Plan) and the BLM Green River District Reclamation Guidelines.
- All trash and debris will be removed from the disturbed area.
- The disturbed area will be backfilled with subsoil.
- Topsoil will be spread to an even, appropriate depth and disced if needed.
- Water courses and drainages will be restored.
- Erosion control devices will be installed where needed.
- Seeding will be done in the fall, prior to ground freeze up.
- Seed mix will be submitted to a BLM AO for approval prior to seeding.
- Monitoring and reporting will be conducted as stated in Questar's Reclamation Plan. A reference site has been established and is included in this ROW application.
- Weed control will be conducted as stated in Questar's Reclamation Plan.

It was determined and agreed upon that there is 6" inches of top soil.

Dry Hole/Abandoned Location

On lands administered by the BLM abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions may include the reestablishment of irrigation systems; reestablishment of appropriate soil conditions; and, the reestablishment of vegetation as specified.

All disturbed surfaces will be recontoured to approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment.

At final abandonment, the Operator will cap the casing with a metal plate a minimum of 0.25 inch thick. The cap will be welded in place and the well location and identity will be permanently inscribed on the cap. The cap will be constructed with a weep hole. The depth of the permanent cap will be determined at the time of final abandonment. Long-term reclamation will then be applied and will follow the reclamation process described in this plan. When reclamation is deemed successful by the Operator and the BLM, the Operator will request a bond release.

12. Surface Ownership:

The well pad and access road are located on lands owned by: Bureau of Land Management 170 South 500 East Vernal, UT 84078

13. Other Information:

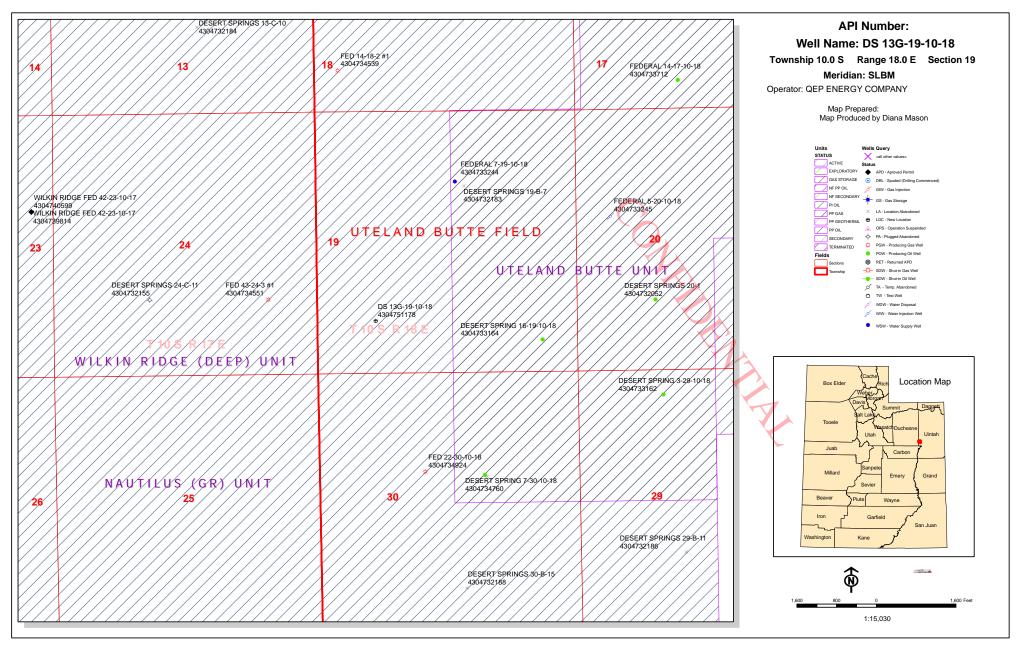
Drilling rigs and/or equipment used during drilling operations will not be stacked or stored on Federal lands or State administered lands after the conclusion of drilling operations or at any other time without authorization by the BLM Authorized Officer. If BLM authorization is obtained, such storage is only a temporary measure.

A Class III archeological survey was conducted by Montgomery Archaeology Consultants, MOAC Report No. 10-020. A copy of the report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance has been recommended for this project. If these surveys identify areas with a high probability of encountering potentially significant subsurface archaeological sites, QEP would provide a qualified archaeologist to monitor surface disturbance. If historic or archaeological materials are uncovered during construction, the Operator is to immediately stop work that might further disturb such materials and contact the Authorized Officer.

A paleontological survey was conducted by Intermountain Paleo Consulting. A copy of this report was submitted directly to the appropriate agencies by Stephen D. Sandau, **Report No. IPC 10-13**. The inspection for this project resulted in no fossils was found, therefore, it's recommend that no restriction should be placed on this project. If any vertebrate fossils are found during construction within the project, the Operator is to immediately stop work and contact the Authorized Office.

A habitat assessment and inventory was surveyed for Uintah Basin Hookless Cactus on April 20, 2010 by Western Biota, Inc. The inspection for this project resulted in no suitable or potential habitat within the proposed DS 13G-19-10-18.

CONFIDENTIAL



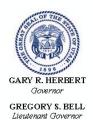
WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 7/26/2010 API NO. ASSIGNED: 43047511780000 WELL NAME: DS 13G-19-10-18 **PHONE NUMBER:** 435 781-4331 **OPERATOR:** QEP ENERGY COMPANY (N3700) **CONTACT:** Jan Nelson PROPOSED LOCATION: SWSW 19 100S 180E Permit Tech Review: **SURFACE: 1050 FSL 1107 FWL Engineering Review: BOTTOM:** 1050 FSL 1107 FWL Geology Review: **COUNTY: UINTAH LATITUDE:** 39.92513 LONGITUDE: -109.94086 **UTM SURF EASTINGS: 590510.00** NORTHINGS: 4419775.00 FIELD NAME: UTELAND BUTTE LEASE TYPE: 1 - Federal **LEASE NUMBER: UTU75088** PROPOSED PRODUCING FORMATION(S): UTELAND BUTTE SURFACE OWNER: 1 - Federal **COALBED METHANE: NO RECEIVED AND/OR REVIEWED: LOCATION AND SITING:** ✓ PLAT R649-2-3. Bond: FEDERAL - ESB000024 Unit: **Potash** R649-3-2. General Oil Shale 190-5 **Oil Shale 190-3** R649-3-3. Exception Oil Shale 190-13 **Drilling Unit** Water Permit: A36125 - 49-2153 **Board Cause No:** R649-3-3 **Effective Date: RDCC Review: Fee Surface Agreement** Siting: **Intent to Commingle** R649-3-11. Directional Drill **Commingling Approved Comments:** Presite Completed

> 4 - Federal Approval - dmason 23 - Spacing - dmason

Stipulations:

API Well No: 43047511780000



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: DS 13G-19-10-18 **API Well Number:** 43047511780000

Lease Number: UTU75088 **Surface Owner:** FEDERAL **Approval Date:** 8/2/2010

Issued to:

QEP ENERGY COMPANY, 11002 East 17500 South, Vernal, Ut 84078

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-3. The expected producing formation or pool is the UTELAND BUTTE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

• Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please leave a voicemail message if not available)

API Well No: 43047511780000

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at https://oilgas.ogm.utah.gov

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) due prior to implementation
- Written Notice of Emergency Changes (Form 9) due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) due prior to implementation
- Report of Water Encountered (Form 7) due within 30 days after completion
- Well Completion Report (Form 8) due within 30 days after completion or plugging

Approved By:

Acting Associate Director, Oil & Gas

	STATE OF UTAH		FORM 9
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MININ	IG	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU75088
SUNDF	RY NOTICES AND REPORTS O	N WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposition-hole depth, reenter plu DRILL form for such proposals.	sals to drill new wells, significantly deepen exi Igged wells, or to drill horizontal laterals. Use	sting wells below current APPLICATION FOR PERMIT TO	7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: DS 13G-19-10-18
2. NAME OF OPERATOR: QEP ENERGY COMPANY			9. API NUMBER: 43047511780000
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Ver		NUMBER: 8 Ext	9. FIELD and POOL or WILDCAT: UTELAND BUTTE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1050 FSL 1107 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWSW Section: 19	P, RANGE, MERIDIAN: Township: 10.0S Range: 18.0E Meridian: S		STATE: UTAH
11. CHE	CK APPROPRIATE BOXES TO INDICATE I	NATURE OF NOTICE, REPORT,	OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	□ ACIDIZE □	ALTER CASING	☐ CASING REPAIR
NOTICE OF INTENT Approximate date work will start: 9/15/2010	☐ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	☐ CHANGE WELL NAME
9/13/2010	☐ CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
	☐ OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	□ WATER SHUTOFF □	SI TA STATUS EXTENSION	APD EXTENSION
·	☐ WILDCAT WELL DETERMINATION ✓	OTHER	OTHER: Lease Serial No
This sundry is to info and given Serial No. th	MPLETED OPERATIONS. Clearly show all pertine orm you that Lease Serial No. UT UTU88069. Please update the able correct Lease Serial No. UTU8	rU75088 was segregated pove mentioned well with 18069. Oil FOR	·
NAME (PLEASE PRINT) Jan Nelson	PHONE NUMBER 435 781-4331	TITLE Permit Agent	
SIGNATURE N/A		DATE 9/15/2010	

			FORM 9
	STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES	5	
	DIVISION OF OIL, GAS, AND MINI	ING	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU88069
SUNDF	RY NOTICES AND REPORTS (ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	sals to drill new wells, significantly deepen e Igged wells, or to drill horizontal laterals. Us		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: DS 13G-19-10-18
2. NAME OF OPERATOR: QEP ENERGY COMPANY			9. API NUMBER: 43047511780000
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Ver		E NUMBER: 168 Ext	9. FIELD and POOL or WILDCAT: UTELAND BUTTE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1050 FSL 1107 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWSW Section: 19	IP, RANGE, MERIDIAN: 9 Township: 10.0S Range: 18.0E Meridian: S	5	STATE: UTAH
11. CHE	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start: 1/4/2011	☐ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
SUBSEQUENT REPORT	☐ DEEPEN [FRACTURE TREAT	☐ NEW CONSTRUCTION
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
_	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	☐ TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
☐ DRILLING REPORT	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
Report Date:	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Lease Serial No.
12 DESCRIBE PROPOSED OR CO	MPLETED OPERATIONS. Clearly show all perti	nent details including dates, denths, v	·
l .	orm you that Lease Serial No. U		
and given Lease Se	rial No. UTU88204. Please upda	ate the above mentioned	accepted by the
well w	ith the correct Lease Serial No	•	Jtah Division of
		Oil	l, Gas and Mining
		FOR	RECORDONLY
NAME (PLEASE PRINT)	PHONE NUMBER	TITLE	
Jan Nelson	435 781-4331	Permit Agent	
SIGNATURE N/A		DATE 1/4/2011	

Sundry Number: 17081 API Well Number: 43047511780000

	STATE OF UTAH DEPARTMENT OF NATURAL RESOUR	CES	FORM 9
	DIVISION OF OIL, GAS, AND MI		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU88204
SUND	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for propo bottom-hole depth, reenter plu DRILL form for such proposals	sals to drill new wells, significantly deepe ugged wells, or to drill horizontal laterals.	n existing wells below currer Use APPLICATION FOR PERM	T.UNIT OF CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: DS 13G-19-10-18
2. NAME OF OPERATOR: QEP ENERGY COMPANY			9. API NUMBER: 43047511780000
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Ve		ONE NUMBER: -3068 Ext	9. FIELD and POOL or WILDCAT: UTELAND BUTTE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1050 FSL 1107 FWL QTR/QTR, SECTION, TOWNSHI	TP PANGE MEPIDIAN.		COUNTY: UINTAH
	9 Township: 10.0S Range: 18.0E Meridian	ı: S	STATE: UTAH
11. CHE	CK APPROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE,	REPORT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACT	ON
	ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
Approximate date work will start:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
8/2/2012	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FO	RMATIONS CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
Date of Work Completion:	OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
SPUD REPORT	☐ PRODUCTION START OR RESUME	RECLAMATION OF WELL SIT	RECOMPLETE DIFFERENT FORMATION
Date of Spud:	☐ REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WEL	L TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
Report Date.	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:
QEP ENERGY COMPAI	OMPLETED OPERATIONS. Clearly show all p NY HEREBY REQUESTS A ONI PD ON THE ABOVE CAPTIONI	YEAR EXTENSION	
NAME (PLEASE PRINT) Valyn Davis	PHONE NUMBER 435 781-4369	TITLE Regulatory Affairs A	nalyst
SIGNATURE N/A		DATE 8/1/2011	

Sundry Number: 17081 API Well Number: 43047511780000



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047511780000

API: 43047511780000 **Well Name:** DS 13G-19-10-18

Location: 1050 FSL 1107 FWL QTR SWSW SEC 19 TWNP 100S RNG 180E MER S

Company Permit Issued to: QEP ENERGY COMPANY

Date Original Permit Issued: 8/2/2010

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

• If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
 Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
 Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
 Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
• Has the approved source of water for drilling changed? 🔵 Yes 🌘 No
 Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
• Is bonding still in place, which covers this proposed well? Yes No

Signature: Valyn Davis **Date:** 8/1/2011

Title: Regulatory Affairs Analyst Representing: QEP ENERGY COMPANY

Form 3160-3 (August 2007)

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

FORM	APPRO	VE
OMB N	lo. 1004	-013
Expires	July 31.	201

5.	Lease Serial	No.
LITT	188204	

6.	If Indian.	Allotee	or Tribe Name

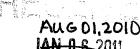
APPLICATION FOR PERMIT TO	DRILL O	R REENTER		o. Il ilidiali, Alloice	of Tribe Name	
la. Type of work: DRILL REENT	ER			7. If Unit or CA Agre	eement, Name and No.	
lb. Type of Well: Oil Well Gas Well Other		Single Zone Multi	ple Zone	8. Lease Name and DS 13G-19-10-18	Well No.	
2. Name of Operator QEP ENERGY COMPANY	С	ONTACT: JAN NEL	SON	9. API Well No. 43-047-	51178	
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078 3b. Pho 435-76		lo. (include area code) 4331		10. Field and Pool, or UTELAND BUTTE	• •	
4. Location of Well (Report location clearly and in accordance with an At surface SWSW 1050' FSL, 1107' FWL	ny State require	ments.*)		11. Sec., T. R. M. or E SEC. 19, T10S, R1	Blk. and Survey or Area 18E, MER SLB	
At proposed prod. zone SWSW 1050' FSL, 1107' FWL 14. Distance in miles and direction from nearest town or post office* 28 MILES FROM MYTON, UT			<u> </u>	12. County or Parish UINTAH	13. State	
location to nearest		16. No. of acres in lease 17. Space 200 40		ing Unit dedicated to this well		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Propos 4900 MD	• .	20. BLM/I ESB000	BIA Bond No. on file		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5508 GL	22. Approx	imate date work will sta 10	rt*	23. Estimated duration 10 DAYS	n .	
		chments				
 The following, completed in accordance with the requirements of Onsho Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office). 		4. Bond to cover the stem 20 above).5. Operator certification.	he operation	ns unless covered by an	existing bond on file (see	
25. Signature AN UNSON		(Printed/Typed) NELSON			Date 07/23/2010	
Title PERMIT AGENT						
Approved by (Signature)	Name	(Printed/Typed) Jerry k	(encz	ka	Dat NOV 0 7 2011	
Title Assistant Field Manager Lands & Mineral Resources	Office	VERN	AL FIE	LD OFFICE		
Application approval does not warrant or certify that the applicant hold conduct operations thereon. Conditions of approval, if any, are attached.	- 7	itable title to those righ APPROVAL AT	ts in the sub	ject lease which would e	entitle the applicant to	
Fitle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a cistates any false, fictitious or fraudulent statements or representations as	rime for any to any matter	person knowingly and v within its jurisdiction.	villfully to n	nake to any department of	or agency of the United	

(Continued on page 2)

*(Instructions on page 2)

RECEIVED NOV 18 2011

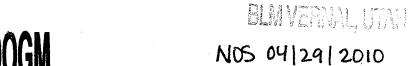
DIV. OF OIL, GAS & MINING



AUG 01,2010 JAN 8 6 2011

CONFIDENTIAL

NOTICE OF APPROVAL







UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Well No:

QEP Energy Company

DS 13G-19-10-18

API No:

43-047-51178

Location: Lease No: SWSW, Sec. 19, T10S, R18E

UTU-88204

Agreement:

N/A

OFFICE NUMBER:

(435) 781-4400

OFFICE FAX NUMBER:

(435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)		Twenty-Four (24) hours prior to running casing and cementing all casing strings to: <u>blm_ut_vn_opreport@blm.gov</u>
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

Page 2 of 6 Well: DS 13G-19-10-18 10/7/2011

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- All new and replacement internal combustion gas field engines of less than or equal to 300 designrated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop
 work and contact the Authorized Officer (AO). A determination will be made by the AO as to what
 mitigation may be necessary for the discovered paleontologic material before construction can
 continue.
- All vehicles and equipment shall be cleaned either through power-washing, or other approved method, if the vehicles or equipment were previously operated outside the Uinta Basin, to prevent weed seed introduction.
- All disturbance areas shall be monitored for noxious weeds annually, for a minimum of three growing seasons following completion of project or until desirable vegetation is established.
- Reclamation will be completed in accordance with the Questar Exploration and Production Company, Uintah Basin Division's Reclamation Plan on file with the Vernal Field Office of the BLM.
- If paleontologic resources are uncovered during construction activities, the operator shall immediately suspend all operations that will further disturb such resources, and immediately notify the Authorized Officer (AO). The AO will arrange for a determination of significance and, if necessary, recommend a recovery or avoidance plan.
- Construction and drilling is not allowed from January 1 August 31 to minimize impacts during
 golden eagle nesting. If it is anticipated that construction or drilling would occur during the given
 timing restriction, a BLM or qualified biologist should be notified so surveys can be conducted.
 Depending upon the results of the survey, a recommendation to proceed may or may not be
 advised by the biologist. Permission may or may not be granted by the Authorized Officer.
- No surface construction or drilling activities shall occur from January 1 to August 31. A golden
 eagle nest is located within 0.5 miles of the location. An exception to this COA may be requested in
 writing by the operator about 1 month prior to the desired activity. A survey then will be conducted
 by a BLM biologist or a qualified biologist contracted by the operator.
- Following well plugging and abandonment, the location, access roads, pipelines, and other facilities shall be reclaimed. All disturbed surfaces shall be reshaped to approximate the original contour; the top soil respread over the surface; and, the surface revegetated. The surface of approved staging areas where construction activities did not occur may require disking or ripping and reseeding.

Page 3 of 6 Well: DS 13G-19-10-18

10/7/2011

DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

 Operator is low on proposed cementing volumes in regards to the production casing cementing program.

Additional cement needs to be pumped in order to circulate cement to Surface.

- Production casing cement shall be brought up and into the surface.
- The operator's variance requests stated in Drilling Plan, Section 6 titled "Auxiliary Equipment" are approved.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- · Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is
 encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal
 Field Office.

Page 4 of 6 Well: DS 13G-19-10-18 10/31/2011

• The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM,
 Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to BLM_UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

Page 5 of 6 Well: DS 13G-19-10-18

10/7/2011

OPERATING REQUIREMENT REMINDERS:

 All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at www.ONRR.gov.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
 notified when it is placed in a producing status. Such notification will be by written communication
 and must be received in this office by not later than the fifth business day following the date on
 which the well is placed on production. The notification shall provide, as a minimum, the following
 informational items:
 - o Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - o The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs,

Page 6 of 6 Well: DS 13G-19-10-18 10/7/2011

core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office
 Petroleum Engineers will be provided with a date and time for the initial meter calibration and all
 future meter proving schedules. A copy of the meter calibration reports shall be submitted to the
 BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid
 hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall
 be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering
 lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a
 suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be
 obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
 equipment shall be removed from a well to be placed in a suspended status without prior approval
 of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior
 approval of the BLM Vernal Field Office shall be obtained and notification given before resumption
 of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office
 Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in
 order that a representative may witness plugging operations. If a well is suspended or abandoned,
 all pits must be fenced immediately until they are backfilled. The "Subsequent Report of
 Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of
 the well bore, showing location of plugs, amount of cement in each, and amount of casing left in
 hole, and the current status of the surface restoration.

Sundry Number: 26266 API Well Number: 43047511780000

	STATE OF UTAH		FORM 9
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINII		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU88204
SUNDR	RY NOTICES AND REPORTS O	N WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	oposals to drill new wells, significantly de reenter plugged wells, or to drill horizont n for such proposals.		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: DS 13G-19-10-18		
2. NAME OF OPERATOR: QEP ENERGY COMPANY			9. API NUMBER: 43047511780000
3. ADDRESS OF OPERATOR: 11002 East 17500 South,		PHONE NUMBER: 08-3068 Ext	9. FIELD and POOL or WILDCAT: UTELAND BUTTE
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1050 FSL 1107 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 19 Township: 10.0S Range: 18.0E Meridia	an: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPOR	₹T, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
✓ SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud: 5/30/2012	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
_	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
	WILDCAT WELL DETERMINATION	OTHER	OTHER:
ON 05/30/2012- DR 14"CONDI	COMPLETED OPERATIONS. Clearly show all RILLED 40' OF 20" CONDUCTO UCTOR PIPE. CEMENTED WITH	pertinent details including dates, on the second of the se	
NAME (PLEASE PRINT) Valyn Davis	PHONE NUMBE 435 781-4369	R TITLE Regulatory Affairs Analyst	
SIGNATURE N/A		DATE 5/31/2012	

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Cor	mpany;	QEP E	NERGY C	OMPANY		
Well Name	*	DS 13	G-19-10-1	8		
Api No:	43-047-511	78	Le	ase Type	FEDERAI	Ĺ
Section 19	Township_	10S Ra	ange 18E	County	UINTAH	
Drilling Cor	ntractor	AZTEC		RI	G# <u>950</u>	
SPUDDE	D:					
	Date	05/30/2012	2			
	Time	10:00 AN	1			
	How	DRY				
Drilling wi Commend				· · · · · · · · · · · · · · · · · · ·		
Reported by		DAVI	D REID			
Telephone #		(435)	828-0396			
Date	05/30/2012	Signed	CHD			

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

-			ENTITY ACTIO	N FORM	-				
perator:	QEP EI	NERGY COMPANY		One	rator Ac	count Nu	imher	N 370	0
ddress:	11002	EAST 17500 SOUTH		_	iator rec	oount No	anoet.	114	
	city VE	RNAL				•			
	_{state} U	Т	zip 84078		P	hone Nu	mber:	(435) 7	781-4369
Well 1				- -					
API N	ımber	Well	Name	QQ	Sec	Twp	Rng	Imprespe	County
43047	51178	DS 13G-19-10-18		swsw	19	108	18E		UINTAH
Action	Property of	Current Entity Number	New Entity Number	Š	pud Da	e	En	l tity As Effecti	signment ve Date
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APIN	umber	Well	Name	QQ	Sec	Twp	Rng		County
APIN	imber	tasing distribution well.	Name	QQ	Sec	Twp	Rng		County
Action	Code	Current Entity Number	New Entity Number		pud Da	te	Er	tity As Effecti	signment ve Date
Commen	its:								
Weil 3									
API N	umber	Well	Name	QQ	Sec	Twp	Rng		County
Action	Code	Current Entity Number	New Entity Number	Ś	l pud Da	te			signment ve Date
Commen	ıts:								
B - Add C - Re-	ablish new e I new well to assign well	entity for new well (single o existing entity (group or from one existing entity to	unit well) another existing entity	Nam	lyn Davi:		Oa.	Úż	
		from one existing entity to in 'comments' section)	o a new entity	_	ature	<i>J'</i> Affairs A	- mli 1		31/2012

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Sundry Number: 31000 API Well Number: 43047511780000

	STATE OF UTAH		FORM 9			
ı	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU88204			
SUNDR	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
	oposals to drill new wells, significantly reenter plugged wells, or to drill horizo n for such proposals.		7.UNIT or CA AGREEMENT NAME:			
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: DS 13G-19-10-18			
2. NAME OF OPERATOR: QEP ENERGY COMPANY			9. API NUMBER: 43047511780000			
3. ADDRESS OF OPERATOR: 11002 East 17500 South	Vernal, Ut, 84078 303	PHONE NUMBER: 3 308-3068 Ext	9. FIELD and POOL or WILDCAT: UTELAND BUTTE			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1050 FSL 1107 FWL			COUNTY: UINTAH			
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 19 Township: 10.0S Range: 18.0E Merio	dian: S	STATE: UTAH			
11. CHECI	K APPROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA			
TYPE OF SUBMISSION		TYPE OF ACTION				
	ACIDIZE	ALTER CASING	CASING REPAIR			
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME			
Approximate date work will start.	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE			
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION			
10/11/2012	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK			
SPUD REPORT	✓ PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION			
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON			
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL			
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION			
nopon suio.	_					
	WILDCAT WELL DETERMINATION	OTHER	OTHER:			
	COMPLETED OPERATIONS. Clearly show ENCED PRODUCTION ON OC p.m.		Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 19, 2012			
NAME (PLEASE PRINT) Valyn Davis	PHONE NUMB 435 781-4369	BER TITLE Regulatory Affairs Analyst				
SIGNATURE N/A		DATE 10/11/2012				

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL GAS AND MINING

CONFI		FORM 8
5. 4. AS	DESENTIONAVI SEJIAI USB204	_ NUMBER:

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1a. TYPE OF WELL	:	O W	LELL I	7	GAS C		DRY		OTHE	ir			7. UN	IIT or CA	AGREEM	ENT NAM	1E
b. TYPE OF WORK	b. TYPE OF WORK: NEW HORIZ. DEEP- RE- WELL ATS. EN ENTRY RESVR. OTHER									8. WELL NAME and NUMBER: DS 13G-19-10-18							
2. NAME OF OPERA	ATOR:													NUMBE	R: 51178		
QEP ENE		OMPAN	1Y							PHONE	NUMBER:				POOL, OF	R WILDC	AT
11002 E. 17		С	ITY VE	RNAL		STATE	UT	ZIP 840)78	(43	5) 781-4	1320	1	JTEL/	AND B	UTTE	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: SWSW, 1050' FSL, 1107' FWL											TR/QTR IERIDIAN /SW		1, TOWNS 10 S	SHIP, RANGE,			
AT TOP PRODU	CING INTER	RVAL REPO	RTED BE	LOW: S	WSW	, 1050)' FSL	, 1107'	FWL				ŀ				
AT TOTAL DEPT	H: SW	SW, 108	50' FS	SL, 110	7' FW	`L							U	OUNTY INTAI			3. STATE UTAH
14. DATE SPUDDED 5/30/2012	D:	15. DATE T 9/19/2		CHED:		E COMPL 10/201		Α	BANDONE	D 🔲	READY TO I	PRODUCE			/ATIONS (I		, RT, GL):
18. TOTAL DEPTH:	MD 4,	•		19. PLUG	BACK T.I	D.: MD TVD			20. IF M	ULTIPLE CO	NOITEL	S, HOW M	IANY?*		TH BRIDGI UG SET:	E MD TVD)
22. TYPE ELECTRIC	C AND OTH	ER MECHAN	IICAL LC	GS RUN (Submit co	py of each	1)			23.				71 .		<i>(</i> 2.1	
TRIPLE CO	MBO									WAS DST	L CORED? RUN? NAL SURVE [\]	(?	ои 100 100 100	<u>Z</u>	ES	(Subr	nit analysis) nit report) nit copy)
24. CASING AND L	NER RECO	RD (Report	all string	js set in w	eli)												
HOLE SIZE	SIZE/G	RADE	WEIGH	T (#/ft.)	TOP	(MD)	воттс	M (MD)		EMENTER PTH	CEMENT T NO. OF SA		SLURRY VOLUME (BBL) CEMENT TOP ** AMOUNT PULL			AMOUNT PULLE	
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7.875	5.5	J-55	15	5.5	()	4,9	907			G	528	251		7	5	
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AS TUDING DECO	<u> </u>						<u> </u>										
25. TUBING RECOR		H SET (MD)	PAC	KER SET (MD)	SIZE		DEPTH	SET (MD)	PACKE	R SET (MD)		SIZE	D	EPTH SET	(MD)	PACKER SET (MD
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26. PRODUCING IN	TERVALS									27. PERFO	RATION REC	ORD					
FORMATION	NAME	TOP	(MD)	BOTTO	M (MD)	TOP	(TVD)	BOTTO	<u> </u>		L (Top/Bot - I	-		NO. HOL	ES	PERFOR	RATION STATUS
(A) GREEN F	RIVER	4,6	329	4,	7 <u>65</u>			<u> </u>		4,629	4,	765	.42	22	Oper	<u> </u>	Squeezed
(B)													,		Oper	<u>' </u>	Squeezed
(C)									- 1				ļ		Oper	<u> </u>	Squeezed
(D)															Oper	1 🔲	Squeezed
28. ACID, FRACTUI	RE, TREAT!	MENT, CEMI	ENT SQL	JEEZE, ET	C.												
DEPTH	INTERVAL								AMC	UNT AND T	YPE OF MAT	ERIAL					
4629 - 4765		····	348	BBLS	15%	HCL A	ND F	RESH	WATER	₹							
													·				
29. ENCLOSED AT	TACHMENT	S:														30. WEL	L STATUS:
=		HANICAL LO		O CEMENT	VERIFIC	NOITA		GEOLOGI CORE AN	C REPORT ALYSIS		DST REPOR		•	IONAL S	URVEY		POW
					_							<u> </u>	ECEI	1/2"	<u> </u>		

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DEC 1 8 2012

	DRODUCTION

INTERVAL A (As shown in item #26)

	-					TEST PRODUCTION				
DATE FIRST PRODUCED:		TEST DATE:			HOURS TESTED: 24		OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
10/11/201	12	10/15/2012		2			32 _	0	6	GPU
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION	OIL BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS
	90	20				RATES: →	32	0	6	
				INT	ERVAL B (As show	wn in item #26)				
DATE FIRST PR	ODUCED:	TEST DATE:		HOURS TESTED):	TEST PRODUCTION RATES: →	OIL BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS - MCF:	WATER BBL:	INTERVAL STATUS
	·	<u> </u>	<u></u>	int	ERVAL C (As show	vn in item #26)	J	!		<u> </u>
DATE FIRST PR	ODUCED:	TEST DATE:		HOURS TESTED);	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS MCF;	WATER - BBL:	INTERVAL STATUS
	'	<u> </u>		INT	ERVAL D (As shov	wn in item #26)	-		<u> </u>	•
DATE FIRST PRODUCED: TEST DATE:		HOURS TESTED	HOURS TESTED:		OIL BBL:	GAS MCF:	WATER - BBL:	PROD. METHOD:		
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL BBL:	GAS - MCF:	WATER BBL:	INTERVAL STATUS

USED ON LEASE

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				UINTA GREEN RIVER GARDEN GULCH UTELAND BUTTE	0 1,198 2,512 4,590

35. ADDITIONAL REMARKS (Include plugging procedure)

36	I bereby certify that the foregoing and attached information is complete as	nd correct as determined from all availa	ble records.

NAME (PLEASE PRINT)_BENNA MUTH

REGULATORY ASSISTANT

SIGNATURE

12/3/2012

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- · recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- · drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

**ITEM 24: Cement Top -- Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to:

Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

801-359-3940 Fax:

Daily Activity and Cost Summary



Well Name: DS 13G-19-10-18

	ie. Do 100-15-10-									
API		ace Legal Location	Field Name		State			Well Configuration Type		
43-047-511		9010S018E31	UTELAND BUT		UTAH					
Ground Elevation	on (ft) Casing		rent KB to GL (ft)	Current KB to CF (ft)		Spud Date		Rig Release Date		
	5,505	5,505.00	16.00		16.00			9/21/2012 11:30		
Job Category		Primary Job Type		Secondary Job Type	_		Objective			
Drilling		DRILLING		DEVELOPMEN	<u> </u>					
Start Date		0/4.4/0040		End Date						
		8/14/2012				·····				
Purpose										
Summary										
Contractor			Rig Number		Rig Ty	pe				
Pete Martin	Drilling		PETE MARTIN	1		ER RIG				
Contractor			Rig Number	<u></u>	Rig Ty	pe				
PRO-PETR	0		INGERSOL RAI	ND 6	AIR I	RIG				
Contractor			Rig Number		Rig Ty					
AZTEC DRI	ILLING		AZTEC 950			ROTARY RIG				
DOL	Start Date	The state of the s			Summar	у	1			
1.0	5/31/2012	DIG AND SET CONCUTO	R							
2.0	8/20/2012	MOVE IN PRO-PETRO AN AND PUMP CEMENT	ND RIG UP.DRILL	ING F/40 T/510	.LAY	DOWN PIPE AND F	RUN 9 5	8"" CASING TO 498.RIG UP		
3.0	9/13/2012	RIG DOWN ON OLD LOC					_			
4.0	9/14/2012	MOVE IN AND RIG UP, W								
5.0	9/15/2012	NIPPLE UP BOP.TEST BO F/420 T/526. DRILLING F/	- · · · · · · · · · · · · · · · · · · ·	#1 AND PICK U	JP BH	IA.DRLG CEMENT	& SHOE	TRACK TAG CEMENT		
6.0	6.0 9/16/2012 DRILLING F/770 T/2440 SURVEY AND RIG SERVICE									
7.0	7.0 9/17/2012 DRILLING F/2440 T/ 3708 =1268 FT = 57.6 FPR WOB= 18/20 380 GPM =RPM135 RIG SERVICE SURVEY							VICE SURVEY		
8.0	9/18/2012	DRILLING 21 HRS, SURV								
9.0	9.0 9/19/2012 DRILLING 4.5 HRS, RIG SERVICE 0.5 HRS, CIRC FOR LOGS 2 HRS, WIPER TRIP TO SHOE 5 HRS, TRIP FOR LOGS AND LD PIPE 6.5 HRS, SURVEY 0.5 HRS, PULL WEAR BUSHING 0.5 HRS, LOG 4.5 HRS									
10.0	9/20/2012	TRIP 1 HR, CIRCULATE 3 RUN CASING R/D 7 HR, C	CEMENT 2.5 HR,	R/D CEMENTER	RS 0.5	5 HR				
11.0	9/21/2012	PJSM, SET SLIPS 20K OV CLEAN MUD TANKS 1.5 H				SED @ 11:30) 5.5 F	IR, COM	PLETE NIPPLE DOWN		